



CITY OF *Alexandria* VIRGINIA

2016 KEY DATES

The enclosed notice is the appraisal of the fair market value of your property in Alexandria; it is not a bill. Your real estate tax bill will be issued in early May after the budget is adopted by the City Council and the tax rate is set.

January 1: Effective Date of Assessments.

February 10: Assessment Notices mailed to property owners.

March 25: City Manager presents FY 2017 Proposed Budget to City Council.

March 14: Public Hearing on the FY 2017 Proposed Budget.

March 16: Deadline to request Departmental Review of Assessment.

April 16: Public Hearing on Tax Rates.

April 15: Deadline to request tax relief for Elderly, Disabled, and Disabled Veteran taxpayers.

May 1: Deadline for owners of commercial property to file 2015 Income and Expense Surveys.

May 5: City Council Meeting - Budget and Tax Rate Adoption.

Early May: Real Estate bills mailed to owners.

June 1: Deadline to file an Appeal of Assessment with the Board of Equalization.

June 15: Deadline to pay first half of real estate tax.

November 15: Deadline to pay second half of real estate tax.

REAL ESTATE ASSESSMENTS
301 King Street, Room 2600
Alexandria, VA 22314
Monday – Friday, 8 a.m. to 5 p.m.
alexandriava.gov/realestate
703.746.4646
703.706.3979 (Fax)
e-mail: realestate@alexandriava.gov

RESIDENTIAL AND MULTI-FAMILY CONTINUE TO IMPROVE

Real property assessments in the City of Alexandria continue to perform similarly to those in other close-in Northern Virginia markets. On a year-over-year basis, residential values posted an increase of 2.44%, while commercial property values during the same period increased by 3.32%. The total 2016 locally assessed real property tax base increased 2.81% from 2015 to 2016. This marks the sixth year in a row that assessed values have increased after two consecutive years of declining values in 2009 and 2010.

The Residential Market

Improving, but moderating housing market conditions in Alexandria are due to relatively low unemployment, low interest rates, a constrained supply in combination with pent-up demand, the significant number of high paying jobs, and its prime location inside the Capital Beltway with four operating Metro stations. This optimistic outlook is tempered by the Federal Reserve's recent move to reverse its quantitative easing policy which could result in higher interest rates in 2016.

- In 2016, the average equalized value of existing residential property, including single-family and condominium is \$521,227, an increase of 1.88%, or \$9,623 from the previous year.
- The average single-family house is assessed at \$720,701 in 2016. This is an increase of 2.25%, or \$15,918.
- The 2016 average residential condominium is assessed at \$306,883, an increase of 0.94%, or \$2,869 from the previous year.
- On average 2016, 53.9% of residential properties increased in value, 18.1% decreased, and 28% were unchanged.

The Commercial Market

Commercial assessment increases in 2016 were primarily driven by property appreciation and project stabilization in the multi-family market that increased 4.35% on a year-over-year basis. The largest multi-family under construction is The Park Meridian at Eisenhower Station which will be 25 stories in height and contain 505 units.

Additional gains were reported in the general commercial properties which increased by 5.43%. The City's office market is flat and continues to face challenges due to a general lack of demand, tenant concessions, lower effective rents and continued space compression upon renewal. Despite current market conditions, 2016 capitalization rates remained unchanged or even compressed for Class A investment grade property in close proximity to metro rail. Overall, the office sector increase 1.46% on a year over year basis.

By leveraging technological resources to gain efficiencies, the Office of Real Estate Assessments (OREA) continues to make it easier for larger commercial property owners to electronically file Income and Expense Surveys using our web-based reporting system. Instructions for utilizing the application are available on the Department's website at www.alexandriava.gov/realestate. Income and Expense Surveys will be mailed in early March and have a filing deadline of May 1. New in 2016, the OREA has streamlined the billing process for properties that are comprised of multiple parcels. The parent parcel, usually the one with the most value, will now reflect the total a property value (parent and ancillary parcels). This eliminates the need for multiple bills and reduces the cost of postage to the City. This process applies only to those properties that are comprised of multiple parcels that function as one economic unit. Previously existing accounts are maintained in the system, but have no value associated with them. No property rights are lost by the property owner.

Review and Appeal Deadlines

The deadline for requesting a Review of Assessment is March 16, 2016, and the deadline to file an Appeal of Assessment with the Board of Equalization is June 1, 2016. No exception will be made. If you have a question about your property's assessment, please come in or schedule an appointment to meet with a member of our appraisal team anytime during the year. In addition, Department representatives are available to meet with homeowners and community associations to explain the appraisal process and any valuation factors that are used to compile the annual real property assessments.

The City of Alexandria is committed to compliance with the Americans with Disabilities Act, as amended. To request a reasonable accommodation, e-mail realestate@alexandriava.gov or call 703.746.4168, Virginia Relay 711.

REAL PROPERTY ASSESSMENT INFORMATION

Notices of Assessment are sent annually to all property owners in the City of Alexandria. The enclosed notice is our appraisal of the fair market value of your property as of January 1, 2016. Please review this assessment carefully to ensure your property data is correct and further that the assessed value is representative of comparable property sales in your neighborhood. In those neighborhoods with few sales, our appraisers relied on sales from similar neighborhoods to yours when necessary. Only sales occurring prior to January 1, 2016, may be considered in arriving at the assessed value. To view the information we relied upon to assess your property, including the property sales in your market area, go to our web site at alexandriava.gov/realestate and select "Search Property & Sales Data."

As required by law, the City annually reassesses real property at 100% of fair market value. The enclosed Notice of Assessment is not a tax bill. After completion of the budget process, the real property tax rate will be set by the City Council on May 5, 2016 at the end of the City's FY 2017 budget process.

For additional information regarding the review and appeal deadlines, please refer to the front of this page or to the information on your Notice of Assessment.

CITY TAX RELIEF PROGRAM INFORMATION

2016 Real Property Tax Relief for Veterans with 100% Service-Connected Disability

The City offers a full real estate tax exemption to veterans with 100% service-connected disability and their surviving spouses.

For veterans:

- The veteran must have been rated by the U.S. Department of Veterans Affairs or its successor agency pursuant to federal law as having a 100 percent service-connected, permanent and total disability.
- The residence for which the veteran is seeking tax exemption must be his or her primary residence.
- The property must be deeded in the name of the veteran or the veteran and his or her spouse.
- The veteran's spouse, if applicable, must also be identified.

For surviving spouses:

- The surviving spouse must be able to meet the standards above for the deceased veteran's disability certification.
- The residence must be deeded in the name of the veteran or the veteran and surviving spouse.
- The surviving spouse must continue to reside in the primary residence.
- The veteran must have died on or after January 1, 2011.
- The surviving spouse must not be remarried.

Applications for these programs may be obtained on the web at alexandriava.gov/TaxRelief or by contacting Tax Services and Enforcement at taxrelief@alexandriava.gov or 703.746.3901 (Option 6).

Completed applications should be filed with the Department of Finance by April 15, 2016.

2016 Real Estate Tax Relief Program for Elderly and Disabled Persons

Residents who are either 65 years of age or older or permanently and totally disabled by November 15, 2016, may be eligible for the City's 2016 Real Estate Tax Relief Program for Elderly and Disabled Persons. The following limits are currently in effect:

- For a full tax exemption in 2016, a household's gross combined income may not have exceeded \$40,000 in 2015.
- For an exemption of 50 percent of the 2016 taxes, a household's gross combined income may not have exceeded \$55,000 in 2015.
- For an exemption of 25 percent of the 2016 taxes and/or a tax deferral, a household's gross combined income may not have exceeded \$72,000 in 2015.
- The assets of the household may not exceed \$430,000 (excluding the house and one acre of adjoining property).

Constitutional Amendment

On November 4, 2015, Virginians overwhelmingly supported a state referendum approving an amendment to Article X, Section (A) of the Virginia Constitution that exempts from local real property taxes on the home of the surviving spouse of an armed forces member who was killed in action. To be eligible, he or she must occupy the real property as the principal place of residence and not be remarried. The exemption also only applies to a home with an assessed value that does not exceed the average assessed value for homes in the locality. In addition, the exemption applies to the principal dwelling and the land it occupies, not to exceed one acre.

Applications for these programs may be obtained on the web at alexandriava.gov/TaxRelief or by contacting Tax Services and Enforcement at taxrelief@alexandriava.gov or 703.746.3901 (Option 6). Completed applications should be filed with the Department of Finance by April 15, 2016.